

No.B1/6028/TC/94

Office of the Transport Commissioner  
Thiruvananthapuram, Dated: 19/5/95

From

The Transport Commissioner,  
Thiruvananthapuram.

To

All Deputy Transport Commissioners,  
All Regional Transport Officers,  
All Joint Regional Transport Officers of Sub Officers and  
Motor Vehicles Inspectors of border Check Post.

Sir/Madam,

Sub: MVs – Inter-State Contract Carriages covered by special permit issued  
u/s 88(8) – applicability of concessional rate of tax – clarification – reg.

- Ref: 1. G.O.(Rt) 1618/93/PW&T dt. 19.11.93.  
2. G.O.(Rt) 1699/93/PW&T dt. 19.11.93  
3. Kerala Finance Bill 1994 (Bill No. 98)  
4. G.O.(P) 23/94/PW&T Dt. 6.4.94  
5. Govt. Lr.No.17920/N2/94/PW&T Dt. 28.2.95.

Attention is invited to the references cited. Rate of Tax in respect of contract Carriages has been enhanced as per reference 3<sup>rd</sup> cited. It was subsequently ordered as per reference 2<sup>nd</sup> and 4<sup>th</sup> cited that the enhancement of tax is not applicable to Contract Carriages permitted to operate within the State under section 74(1) of the M.V. Act, 88 are permitted to operate within the State under sub section 8 of section 88 of the M.V. Act. Intra state contract carriages holding permits issued u/s 74(1) can operate outside the state on the strength of special permits and also by counter-signature of permits on specified routes. Doubt has been raised as to whether the reduction in the rate of tax ordered as per notification 2<sup>nd</sup> and 4<sup>th</sup> cited can be allowed to inter-state contract carriages when they operate outside the state on the strength of Special permits and also by countersignature of permits. The matter was referred to the Government for clarification.

The Government have clarified vide reference 5<sup>th</sup> cited that the increase in the rate of tax ordered as per Finance Bill 94 is applicable to all vehicles operating inter-state with more than 12 passengers irrespective of the provisions by which they are given permits. The reduction in the rate of tax ordered as per notification G.O.(P) 23/94 dated 6.4.94 is applicable only to those vehicles with more than 12 seats and covered by permits issued under section 74(1) of the M.V. Act 88 and permitted to operate within the state. Vehicles operating inter-state with special permits, countersignature of permits or with permits issued under section 88 (9) of the Act will not come under the purview of the notification dated 6.4.94.

Yours faithfully,  
Sd/--

V.C. Ayyappan,  
Sr. Dy. Transport Commissioner (T)  
For Transport Commissioner